



FOR IMMEDIATE RELEASE

April 13, 2006

FACT SHEET

FY07 Budget Week

SANDERS TACKLES DEFERRED MAINTENANCE BACKLOG FY07 BUDGET DEDICATES \$20 MILLION TO CITY'S INFRASTRUCTURE

Number of Other Priorities Go Unmet in Budget due to Limited Resources

As part of his FY07 budget, Mayor Jerry Sanders today announced that he will dedicate \$20 million to the City's chronic deferred maintenance problems. In 2003, City managers estimated the needs at \$372.5; the list has not been updated. Mayor Sanders has ordered a complete inventory of the City's deferred maintenance, to include new cost estimates, so that City leaders can make informed decisions.

Fulfilling his promise to make government transparent to citizens, the Mayor also today announced items that his budget will not be able to fully address. The Mayor believes that citizens should understand the City's challenges and the needs that government is not able to fund.

Deferred Maintenance

Mayor's \$20 million Budget Proposal for FY07 Deferred Maintenance

CATEGORY	AMOUNT
Replace Roofs <ul style="list-style-type: none">• Museum of Man• San Ysidro Recreation Center• San Ysidro Community Center• Bud Kearns Memorial Pool• Main Library• Malcolm X Library• Old Globe Theatre	\$1.5 million

CATEGORY	AMOUNT
Streets <ul style="list-style-type: none"> • Resurfacing 12 miles • Slurry Seal 41 miles 	\$7.6 million
Stormdrains (Alta La Jolla)	\$5 million
Slope Failures <ul style="list-style-type: none"> • Talbot Street • 46th Street 	\$1.3 million
Tijuana River Valley Dredging (Pilot Channel)	\$4.6 million
TOTAL	\$20 million

The new inventory will include a detailed listing of deferred maintenance in the following categories: facilities; streets; alleys; sidewalks; bridges; street lights and traffic signals; and stormdrains.

Unmet Needs

The City faces a very challenging financial environment. Limited financial resources will not allow the City to fund a wide array of budgetary priorities. The following needs will go unmet in the Mayor's FY07 Budget:

- The vast majority of the City's deferred maintenance, including \$7.10 in police department and \$10.58 million in fire department projects. (The Mayor is dedicating \$6 million this year toward improvements at fire stations.)
- Funding infrastructure needs to accommodate San Diego's growth.
- Funding service cuts that were made over the past 3 years.
- Fully funding reserves.
- Fully funding IT needs.
- Fully funding the needs of our Fire Department.
- Fully funding the Retiree Healthcare.

Sanders on the City's Unmet Needs:

"FY07 is a stabilizing year. We will start to tackle chronic City problems, such as deferred maintenance, but we will not be able to fully meet our obligations to a number of priorities. It's just as important to me that citizens know what we can't fund as they know what we are funding. Over the next year, we'll work toward solutions for these chronic problems."

Mayor Jerry Sanders